

# Indiabulls

## Indiabulls Securities Limited Audited Consolidated Financial Results for the year ended March 31, 2009

(Rupees in Lakhs)

Particulars	Year ended	
	31.03.09 (Audited)	31.03.08 (Audited)
1 a) Income from Operations	30,136.93	51,263.06
b) Other Operating Income	10,395.55	13,375.13
<b>Total</b>	<b>40,532.48</b>	<b>64,638.19</b>
2 Expenditure		
a) Employees Cost	11,493.65	10,848.13
b) Depreciation	2,439.28	2,134.98
c) Operating Expenses	3,194.66	4,417.26
d) Administrative & Other Expenses	20,962.00	7,172.58
<b>Total</b>	<b>38,089.59</b>	<b>24,572.95</b>
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,442.89	40,065.24
4 Other Income	302.25	39.30
5 Profit before Interest & Exceptional Items (3+4)	2,745.14	40,104.54
6 Interest and Finance Charges	4,681.96	2,414.37
7 Profit/(Loss) after Interest but before Exceptional Items (5-6)	(1,936.82)	37,690.17
8 Exceptional Items	-	-
<b>9 Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>	<b>(1,936.82)</b>	<b>37,690.17</b>
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	(632.60)	12,513.85
<b>11 Net Profit/(Loss) from Ordinary Activities after Tax (9-10)</b>	<b>(1,304.22)</b>	<b>25,176.32</b>
12 Extraordinary Items (net of tax expenses Rs. NIL)	-	-
<b>13 Net Profit/(Loss) for the year before Minority Interest (11-12)</b>	<b>(1,304.22)</b>	<b>25,176.32</b>
14 Minority Interest	-	-
<b>15 Net Profit/(Loss) from Ordinary Activities after Tax and Minority Interest (13-14)</b>	<b>(1,304.22)</b>	<b>25,176.32</b>
16 Preference Dividend for the year (including corporate dividend tax thereon)	53.75	31.18
17 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	5,068.54	5,068.54
18 Paid-up Preference Share Capital (Face Value of Rs.4.61 per Preference Share)	459.46	459.46
19 Reserves excluding Revaluation Reserves	24,141.50	31,429.42
20 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	(0.54)	9.92
-Diluted	(0.54)	9.64
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	(0.54)	9.92
-Diluted	(0.54)	9.64
21 <b>Public Shareholding</b>		
- Number of Equity Shares	168,067,693	154,075,703
- Percentage of shareholding	66.32%	60.80%
22 <b>Promoters and promoter group Shareholding</b>		
a) Pledged/Encumbered		
-Number of shares	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-
b) Non-encumbered		
-Number of shares	68,713,425	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	
- Percentage of shares (as a % of the total share capital of the Company)	27.11%	

**Notes to Financial Results:**

- 1 Indiabulls Securities Limited ("ISL") conducts its operations along with its subsidiaries. The Consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of Consolidated Accounts as set out in the Accounting Standard (AS 21) as notified by the Companies (Accounting Standards) Rules, 2006. The financial statements of the parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, transactions and resulting unrealized gains / losses. The Consolidated Financial Statements are prepared by applying uniform accounting policies.
- 2 During the quarter ended March 31, 2009, one of the wholly owned subsidiary of the Company has incurred / provided for losses on dealing in securities which has resulted in losses amounting to Rs. 15,345.04 Lakhs for the year. This amount has been fully charged off to the Profit and Loss Account and is stated under administrative and other expenses above. Consequently, the holding company has written off loans amounting to Rs. 18,093.00 Lakhs, which were recoverable from this subsidiary in its stand-alone financial statements.
- 3 Figures for the prior year have been regrouped and / or reclassified wherever considered necessary to confirm to the current year presentation.

**4 Segment Results****(Rupees in Lakhs)**

	Particulars	Year ended	
		31.03.09 (Audited)	31.03.08 (Audited)
<b>a</b>	<b>Segment Revenue</b>		
	Broking & related activities	39,826.33	62,145.46
	Others	83.57	1,525.55
	<b>Total</b>	<b>39,909.90</b>	<b>63,671.01</b>
	Less: Inter Segment Revenue	-	-
	<b>Income from Operations</b>	<b>39,909.90</b>	<b>63,671.01</b>
<b>b</b>	<b>Segment Results Profit /(Loss) before Tax and Interest</b>		
	Broking & related activities	16,522.20	37,042.66
	Others	(15,261.47)	1,525.55
	<b>Total</b>	<b>1,260.73</b>	<b>38,568.21</b>
	(i) Less: Interest	3,952.51	1,721.33
	(ii) Other un-allocable expenditure net off unallocable income	(754.96)	(843.29)
	<b>Total Profit /(Loss) Before Tax</b>	<b>(1,936.82)</b>	<b>37,690.17</b>
<b>c</b>	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>		
	Broking & related activities	37,023.92	30,689.39
	Others	-	12,161.44
	Unallocable Capital Employed	(7,354.42)	(5,893.41)
	<b>Total</b>	<b>29,669.50</b>	<b>36,957.42</b>

Note: "Others" business segment constitutes investment and dealing in tradable securities.

**Indiabulls Securities Limited (as standalone entity)**  
**Audited Financial Results**  
**for the year ended March 31, 2009**

(Rupees in Lakhs)

Particulars	Year ended	
	31.03.09 (Audited)	31.03.08 (Audited)
1 a) Income from Operations	33,080.30	56,721.14
b) Other Operating Income	6,107.91	5,047.94
<b>Total</b>	<b>39,188.21</b>	<b>61,769.08</b>
2 Expenditure		
a) Employees Cost	11,160.62	10,541.29
b) Depreciation	2,422.20	2,121.07
c) Operating Expenses	3,089.73	4,322.98
d) Administrative & Other Expenses	23,658.27	7,135.20
<b>Total</b>	<b>40,330.82</b>	<b>24,120.54</b>
3 Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(1,142.61)	37,648.54
4 Other Income	1,139.77	1,097.77
5 Profit/(Loss) before Interest & Exceptional Items (3+4)	(2.84)	38,746.31
6 Interest and Finance Charges	1,945.24	1,569.13
7 Profit/(Loss) after Interest but before Exceptional Items (5-6)	(1,948.08)	37,177.18
8 Exceptional Items	-	-
<b>9 Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>	<b>(1,948.08)</b>	<b>37,177.18</b>
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	(659.77)	12,311.34
<b>11 Net Profit/(Loss) from Ordinary Activities after Tax (9-10)</b>	<b>(1,288.31)</b>	<b>24,865.84</b>
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-
<b>13 Net Profit/(Loss) for the year (11-12)</b>	<b>(1,288.31)</b>	<b>24,865.84</b>
14 Preference Dividend for the year (Including corporate dividend tax thereon)	53.75	31.18
15 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	5,068.54	5,068.54
16 Paid-up Preference Share Capital (Face Value of Rs.4.61 per Preference Share)	459.46	459.46
17 Reserves excluding Revaluation Reserves	23,602.48	30,874.48
18 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	(0.53)	9.80
-Diluted	(0.53)	9.53
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	(0.53)	9.80
-Diluted	(0.53)	9.53
19 <b>Public Shareholding</b>		
- Number of Equity Shares	168,067,693	154,075,703
- Percentage of shareholding	66.32%	60.80%
20 <b>Promoters and promoter group Shareholding</b>		
a) Pledged/Encumbered		
-Number of shares	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-
b) Non-encumbered		
-Number of shares	68,713,425	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	
- Percentage of shares (as a % of the total share capital of the Company)	27.11%	
<b>Items exceeding 10% of Total Expenditure</b>		
--Bad Debts written off	18,093.00	11.89

**Notes to Financial Results:**

- The Consolidated and Standalone financial results of Indiabulls Securities Limited ('IBSL', 'the Company') for the year ended March 31, 2009 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 25, 2009.
- During the quarter ended March 31, 2009, the Shareholders of the Company by way of special resolution passed through postal ballot, authorised the buy-back of the Company's fully paid-up Equity Shares of face value Rs- 2/- each from the open market through stock exchanges, at a price not exceeding Rs. 33/- per share up to a maximum amount of Rs. 8,317.96 Lakhs, being 25% of the total paid-up equity capital and free reserves as per the audited balance sheet of the Company for the year ended March 31, 2008, to be financed out of the Company's free reserves and surplus and balance in the Profit and Loss Account. The Company has propose to buyback upto 39,281,000 of its fully paid up Equity Shares and minimum number of 5,000,000 of its fully paid up Equity Shares at a price not exceeding Rs 33/- per Equity Share. Subsequent to year end the Company has bought back 7,271 shares as of date.

- 3 During the quarter ended March 31, 2009, the Shareholders of the Company have approved the following :
- (1) Cancellation and withdrawal of employee stock option scheme of the Company titled "Employees Stock Option Scheme-2007", covering 1,50,00,000 stock options.
- (2) Authorization under section 81 (1A) of the Companies Act, 1956, to issue at any time to or to the benefit of such person (s) who are in permanent employment of the Company, including any Director, whether whole-time or otherwise, (except the promoter directors) of the Company, under the Scheme titled "Indiabulls Securities Limited Employees Stock Option Scheme- 2008" ("IBSL ESOP-2008" or "Scheme"); 2,00,00,000 (Two Crore) equity options entitling the option holders to purchase an equivalent number of Equity Shares of face value Rs. 2/- (Rupees Two) each of the Company, at such price, in one or more tranches , and on such terms and conditions, as given in the IBSL ESOP - 2008.
- (3) Authorization under Section 81 (1A) of the Companies Act, 1956 to extend the benefits of IBSL ESOP -2008 to or for the benefit of the employees of the Company's subsidiaries including Directors thereof (except Promoter Directors).
- 4 During the quarter ended March 31, 2009, the Compensation Committee constituted by the Board of Directors of the Company has granted under the "Indiabulls Securities Limited Employees Stock Option Scheme - 2008", 2,00,00,000 (Two Crore) Stock Options representing an equal number of equity shares of face value Rs. 2/- each in the Company, to the Eligible Employees, at an exercise price of Rs. 17.40, being the latest available closing market price on the National Stock Exchange of India Ltd., as on January 23, 2009. The Stock Options so granted, shall vest in the eligible employees uniformly within 10 years beginning from January 25, 2010, the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.
- 5 The Board of Directors of the Company at its meeting held on June 25, 2009 has recommended a Dividend of Rs. 2 per share (100% on the face value of Rs. 2 per share) for the financial year 2008-09, out of the opening balance in Profit and Loss account.
- 6 During the quarter ended March 31, 2009, one of the wholly owned subsidiary of the Company has incurred losses in respect of dealing in securities. Accordingly, the Company has written off loan, amounting to Rs. 18,093.00 Lakhs, recoverable from the said subsidiary. The same is included in Administrative & Other expenses above.
- 7 Segment Results (Rupees in Lakhs)

	Particulars	Year ended	
		31.03.09 (Audited)	31.03.08 (Audited)
<b>a</b>	<b>Segment Revenue</b>		
	Broking & related activities	39,488.90	61,804.51
	Others	-	58.90
	<b>Total</b>	<b>39,488.90</b>	<b>61,863.41</b>
	Less: Inter Segment Revenue	-	-
	<b>Income from Operations</b>	<b>39,488.90</b>	<b>61,863.41</b>
<b>b</b>	<b>Segment Results Profit/(Loss) before Tax and Interest</b>		
	Broking & related activities	16,686.36	37,162.41
	Others	-	58.90
	<b>Total</b>	<b>16,686.36</b>	<b>37,221.31</b>
	(i) Less: Interest	1,229.32	887.63
	(ii) Other un-allocable expenditure net off unallocable income	17,405.12	(843.50)
	<b>Total Profit/(Loss) Before Tax</b>	<b>(1,948.08)</b>	<b>37,177.18</b>
<b>c</b>	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>		
	Broking & related activities	37,094.62	29,618.37
	Others	-	-
	Unallocable Capital Employed	(7,964.14)	6,784.11
	<b>Total</b>	<b>29,130.48</b>	<b>36,402.48</b>

Note: "Others" business segment constitutes investment and dealing in tradable securities.

Other un-allocable expenditure net off unallocable income includes write off of loan given to a wholly own subsidiary amounting to Rs 18,093.00 Lakhs (Previous year Rs Nil).

- 8 Number of Investor Complaints received and disposed off during the quarter ended March 31, 2009:

Opening: Nil , Received: 139, Disposed Off: 139, Pending: Nil.

- 9 Figures for the prior year have been regrouped and / or reclassified wherever considered necessary to confirm to the current year presentation

Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place,  
New Delhi 110 001.

For and on behalf of Board of Directors

Place : Gurgaon  
Date : June 25, 2009

Divyesh Shah  
CEO & Director